

Senate File 312 - Introduced

SENATE FILE 312

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A BILL FOR

- 1 An Act relating to employment agreements assigning rights
- 2 to inventions by employees and including applicability
- 3 provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. **94.1 Definitions.**

2 For purposes of this chapter, unless the context otherwise
3 requires:

4 1. "*Employee*" means a natural person who is employed in this
5 state for wages by an employer.

6 2. "*Employer*" means a person, as defined in chapter 4, who
7 in this state employs for wages a natural person.

8 3. "*Invention*" means an original concept which may be
9 rendered into an artistic, educational, or technological
10 expression, including works, compositions, designs, machines,
11 manufacturing or engineering techniques, analyses, or
12 processes.

13 Sec. 2. NEW SECTION. **94.2 Limitation on assignment of**
14 **employee rights to inventions.**

15 1. Any provision of an employment agreement which provides
16 that an employee shall assign or offer to assign any of
17 the employee's rights to an invention to the employer shall
18 not apply to an invention for which equipment, supplies,
19 facilities, or trade secret information of the employer was not
20 used and which was developed entirely on the employee's own
21 time, unless any of the following apply:

22 a. The invention relates to the business of the employer or
23 to the employer's actual or demonstrably anticipated research
24 or development.

25 b. The invention results from any work performed by the
26 employee for the employer.

27 2. A provision of an employment agreement in violation of
28 this section entered into between an employer and employee
29 on or after the effective date of this Act is void and
30 unenforceable. An employer shall not require an employee to
31 enter into such an employment agreement as a condition of
32 employment.

33 Sec. 3. NEW SECTION. **94.3 Employee notification.**

34 If an employment agreement contains a provision requiring
35 the employee to assign any of the employee's rights to any

1 by the employee, for the purpose of determining employer and
2 employee rights to an invention.

3 The bill applies to employment contracts entered into on or
4 after the effective date of the bill.